

CEOs 40 and Under

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The New Boss—Younger Than the Old Boss

Nearly 100 public-company CEOs in the U.S. are 40 or younger. Here they share war stories and tips on how to get to their position

by Marc Hogan



Michael D. Becker, 38
CEO, President, Head of Sales & Marketing, and Director
Cytogen (CYTO)
Princeton, N.J.
Industry Sector
Health Care: Biotechnology & Drugs
Market Cap
\$60.08 million

Michael Rubin started his business career at age 13, running a ski-tuning shop out of his parents' basement. He went on to open several retail ski shops in New York and Pennsylvania by the time he graduated from high school. Now 34, Rubin is chief executive of GSI Commerce (GSIC), a King of Prussia (Pa.)-based e-commerce company with \$524.6 million in revenue in the 12 months ended Sept. 30.

Meet the new boss, younger than the old boss. Rubin is one of approximately 140 executives age 40 or younger who are chief executive officers of publicly traded companies around the world, according to data compiled by Capital IQ. Of these, nearly 100 are located within the U.S., while another 40 or so lead companies headquartered in other countries. The youngest, Harry Vafias, CEO of StealthGas (GASS) in Athens, Greece, is only 28.

For generations, the corner office has been the domain of experience, occupied in literature and film by crusty old-timers like Ebenezer Scrooge or It's a Wonderful Life's Mr. Potter. In more recent decades, investors grew accustomed to fresher faces, as such young visionaries as Microsoft's (MSFT) Bill Gates and Apple's (AAPL) Steve Jobs helped lead the 1980s personal-computing revolution. Now, a new generation of 40-and-under CEOs offers proof that today's young entrepreneurs can scale the corporate ladder, too.

Tech Ladder

The tech sector may still be the quickest road to the top. More public-company CEOs age 40 and under lead organizations involved in technology products or services than work in any other industry. These companies range from online travel publisher Travelzoo (TZOO) to semiconductor materials provider Cree (CREE) and software maker Borland (BORL).

A tech background can also help executives in related businesses, such as retail. Michael Soenen, 36-year-old chief of flower seller FTD (FTD), recalls becoming CEO of his company's Web division in 1999. "Internet CEOs were young by nature, and the success we were having made me a logical choice," Soenen explains. "Having run that business successfully, becoming CEO of FTD Inc. was a natural extension for me."

Many of the youngest CEOs achieved their position by launching their own companies from scratch. "If you really want to be a CEO at a young age, start a company and call yourself a CEO," says David Liu, who recently turned 41 but has been CEO of wedding information Web site The Knot (KNOT) since age 30.

Experience Can't Hurt

Sometimes the hardest part may just be getting started. "You can't wait until you know all the answers," says 36-year-old Taser International (TASR) CEO Rick Smith, who started his stun-gun operation in a garage at age 23. "You never will. When your gut tells you there's an opportunity there, you have to take it."

Others suggest seeking out a broad range of experiences en route to the corner office. Jonathan Huberman, now 41, became CEO of Zip-disk storage device maker Iomega (IOM) earlier this year at age 40, following stints in tech, management consulting, venture capital, and hedge funds. "Look for diversity of experiences, because to be a CEO you need to be able to understand and set strategy for every facet of the business," Huberman says.

While it's never easy to be a CEO, for those 40 and under it can be even more challenging. "It changes your life top to bottom," says Jordan Greenhall, 35-year-old chief of digital video compression software maker DivX (DIVX). "Not as much as having children, but in that same zone."

Ready for Risk

And like having children, CEOs typically say the job is worth any sleepless nights. "I have to say I really love it," says Michael Chasen, 35-year-old head of school software developer Blackboard (BBBB). "I thrive on the fast pace and excitement in running a fast-growth, successful company."

The people who become CEO at a young age are increasingly unafraid to take risks, notes Peter Cappelli, a management professor at the University of Pennsylvania's Wharton School. "They're

willing to look for opportunities to stand out," Cappelli explains. Still, he cautions that bigger appetites for risk may have unwanted consequences, citing the Enron scandal.

Today's young CEOs are likely to have a better understanding of technology and globalization than did the bright up-and-comers of decades past, adds Michael Feiner, a management professor at Columbia University Graduate School of Business and author of *The Feiner Points of Leadership*. "The biggest challenge is the leading-people piece," Feiner says. "It takes a while for even really smart CEOs to understand it's people first, strategy second. That comes from experience and mistakes, and I don't think there's a shortcut."

Passion Projects

Meanwhile, new CEOs are taking on the mantle at a time of unprecedented turnover. Corner-office job changes this year are on pace to top last year's record 1,322 departures, according to Chicago consulting firm Challenger, Gray & Christmas (see *BusinessWeek*, 10/30/06, "The Great CEO Exodus"). Such big-name companies as Bristol-Myers Squibb (BMY), Ford (F) and Viacom (VIA, VIA.B) were among those making CEO switches in 2006.

Ultimately, a CEO of any age needs to have a passion for the job. "You can have all the products and packaging and scale that you need to perform, but really none of that takes you any place if you don't have the right attitude about the business," says Mariner Kemper, 34-year-old head of Kansas City (Mo.)-based financial services company UMB Financial (UMB).

The best CEOs grow into the position because they followed what excited them, not because they set out to become CEOs, adds Mark Vadon, 36-year-old chief of online jewelry retailer Blue Nile (NILE). "Do something that you really love doing," Vadon advises. "If you're not doing something that you really like, you're not going to be that successful at it."

Hogan is a reporter for *BusinessWeek.com* in New York.

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From energy to health care, transportation to tech, the 97 men and one woman 40 years old or younger who run publicly traded companies on the NYSE and Nasdaq aren't retiring any time soon

By Douglas MacMillan

Some might call them overachievers, others just call them boss. There are 98 CEOs of publicly traded companies in the U.S. who are 40 or younger, running every kind of operation from biotechnology firms to media conglomerates. Their arrival in the corner office intimidates some, but to others it's a bellwether of a coming generation of ambitious young minds in the corporate world.

U.S. CEOs 40 and Under

These young chief executives oversee companies worth as much as \$17 billion in a range of industries

CEO	AGE	COMPANY	TICKER	LOCATION	TITLE	SECTOR	MKT CAP
Julie Smolyansky	31	Lifeway Foods	LWAY	Morton Grove, Ill.	CEO, President, and Director	Consumer/Noncyclical : Food Processing	\$175.84 million
W. Gray Hudkins	31	Langer	GAIT	Deer Park, N.Y.	CEO, President, COO, and Director	Health Care: Medical Equipment & Supplies	\$42.66 million
Keith A. Meister	32	American Real Estate Partners	ACP	New York	Vice-Chairman, General Partner, and CEO of American Property Investors Inc., General Partner	Services: Casinos & Gaming	\$4.86 billion
Joshua G. James	32	Omniture	OMTR	Orem, Utah	Co-Founder, CEO, and Director	Technology: Software & Programming	\$578.62 million
J. Mariner Kemper	33	UMB Financial	UMBF	Kansas City, Mo.	Chairman, CEO, Member of Executive Committee, Chairman of Western Region, and Director of UMB Bank Colorado N.A.	Financial: Regional Banks	\$1.55 billion
Jeffrey M. Stibel	33	Web.com	WWW	Atlanta	CEO, President, and Director	Services: Communications Services	\$62.08 million
Matthew McCauley	33	Gymboree	GYMB	San Francisco		Services: Retail (Apparel)	\$1.27 billion
Michael G. Rubin	33	GSI Commerce	GSIC	King of Prussia, Penn.	Chairman and CEO	Technology: Computer Services	\$784.10 million
Dustin M. Shindo	33	Hoku Scientific	HOKU	Kapolei, Hawaii	Founder, Chairman, CEO, President, and Member of Stock Award Committee	Technology: Electronic Instr. & Controls	\$48.72 million
Kevin A. Plank	34	Under Armour	UARM	Baltimore	Founder, Chairman, CEO, and President	Consumer Cyclical: Apparel/Accessories	\$2.40 billion
Barry Buchholtz	35	Orange 21	ORNG	Carlsbad, Calif.	CEO and Director	Consumer Cyclical: Recreational Products	\$36.99 million
Alexis Borisy	35	CombinatoRx	CRXX	Boston	CEO, President, and Director	Health Care: Biotechnology & Drugs	\$254.68 million
Charles Randal Mills	35	Osiris Therapeutics	OSIR	Baltimore	CEO, President, and Director	Health Care: Biotechnology & Drugs	\$700.67 million

Jeffrey Citron	35	Vonage Holdings	VG	Holmdel, N.J.	Founder, Chairman of the Board, and Chief Strategist	Services: Communications Services	\$1.05 billion
Eric J. Kuhn	35	Varsity Group	VSTY	Washington, D.C.	Founder and Chairman of the Board	Services: Retail (Catalog & Mail Order)	\$30.18 million
R. Jordan Greenhall	35	DivX	DIVX	San Diego	Co-Founder, Chairman, and CEO	Technology: Software & Programming	\$904.09 million
Michael L. Chasen	35	Blackboard	BBBB	Washington, D.C.	CEO and President	Technology: Software & Programming	\$784.50 million
George G. Mueller	36	Color Kinetics	CLRK	Boston	Co-Founder and Chairman	Consumer Cyclical: Furniture & Fixtures	\$368.31 million
Jeffrey T. Housenbold	36	Shutterfly	SFLY	Redwood City, Calif.	CEO, President, and Director	Consumer Cyclical: Photography	\$355.01 million
Jon S. Brumley	36	Encore Acquisition	EAC	Fort Worth	CEO, President, and Director	Energy: Oil & Gas Operations	1.39 billion
Mark F. Bradley	36	Peoples Bancorp	PEBO	Marietta, Ohio	CEO, President, Director, and Chairman of Executive Committee; CEO, President, COO, and Director of Peoples Bank; President of Peoples Insurance Agency	Financial: Regional Banks	\$314.10 million
Peter Kosann	36	Westwood One	WON	New York	CEO, President, and Director	Services: Broadcasting & Cable TV	\$581.69 million
Dara Khosrowshahi	36	Expedia	EXPE	Bellevue, Wash.	CEO, President, Director, and Member of Executive Committee	Services: Personal Services	\$6.18 billion
Jonathan Z. Cohen	36	Resource Capital/Resource America	RSO / REXI	Philadelphia	CEO, President, Director, Member of Investment Committee, CEO of Resource America Inc./CEO, Manager, President, and Director of Resource Capital Manager Inc.	Services: Real Estate Operations/Financial: Misc. Financial Services	\$301.71 million / \$459.59 million
Mark Shapiro	36	Six Flags	SIX	New York	CEO, President, Director, and Member of Executive Committee	Services: Recreational Activities	\$542.71 million
Jonathan C. Coon	36	1-800 Contacts	CTAC	Draper, Utah	Co-Founder, Chairman, and CEO	Services: Retail (Catalog & Mail Order)	\$226.38 million

Michael J. Soenen	36	FTD Group	FTD	Downers Grove, Ill.	CEO, President, and Director; CEO, President, and Director of FTD Inc.	Services: Retail (Catalog & Mail Order)	\$498.96 million
Mark C. Vadon	36	Blue Nile	NILE	Seattle	Co-Founder, Chairman of the Board, CEO, President, and Member of Stock Award Committee	Services: Retail (Specialty)	\$543.50 million
Jason Hart	36	ActivIdentity	ACTI	Fremont, Calif.	CEO, SVP of Sales & Marketing, and Director	Technology: Software & Programming	\$238.93 million
James Fogarty	37	American Italian Pasta	PLB	Kansas City, Mo.	CEO and President	Consumer/Noncyclical : Food Processing	NA
David A. Steinberg	37	Inphonic	INPC	Washington, D.C.	Co-Founder, Chairman, CEO, and Member of M&A Committee	Services: Communications Services	\$438.86 million
Matthew C. Diamond	37	Alloy	ALOY	New York	Co-Founder, Chairman of the Board, CEO, Treasurer, and Member of Administration Committee	Services: Retail (Catalog & Mail Order)	\$156.47 million
Jeffrey M. Jagid	37	ID Systems	IDSY	Hackensack, N.J.	Chairman of the Board, CEO, and General Counsel	Technology: Communications Equipment	\$225.38 million
Stephen E. Pomeroy	37	Pomeroy IT Solutions	PMRY	Hebron, Ky.	CEO, President, COO, Chief Accounting Officer, and Director; CEO and President of Pomeroy Select Integration Solutions Inc.	Technology: Computer Hardware	\$90.57 million
David C. Habiger	37	Sonic Solutions	SNIC	Novato, Calif.	CEO and President	Technology: Computer Networks	\$413.27 million
Patrick W. Smith	37	TASER International	TASR	Scottsdale, Ariz.	CEO and Director	Technology: Electronic Instr. & Controls	\$518.91 million
Joe Ueberroth	37	Ambassadors International	AMIE	Newport Beach, Calif.	Chairman, CEO, President, and Director of Ambassadors Group	Transportation: Misc. Transportation	\$478.61 million
Todd M. Hornbeck	37	Hornbeck Offshore Services	HOS	Covington, La.	Chairman, CEO, President, and Secretary	Transportation: Water Transportation	\$1.04 billion

Jon E. Kirchner	38	DTS	DTSI	Agoura Hills, Calif.	CEO, President, and Director	Consumer Cyclical: Audio & Video Equipment	\$462.38 million
Nicholas J. Defuliis	38	CNX Gas	CXG	South Park, Penn.	CEO, President, and Director	Energy: Oil & Gas Operations	\$4.26 billion
Ezra Uzi Yemin	38	Delek US Holdings	DK	Franklin, Tenn.	CEO, President, Director, and CEO and President of MAPCO Express	Energy: Oil & Gas Operations	\$892.59 million
Trevor Turbidity	38	Trico Marine Services	TRMA	Houston	CEO, President, and Director	Energy: Oil Well Services & Equipment	\$554.33 million
David T. Blair	38	Healthextras	HLEX	Rockville, Md.	CEO, President, and Director	Financial: Insurance (Accident & Health)	\$944.37 million
Todd S. Farha	38	Wellcare Health Plans	WCG	Tampa	CEO, President, Director, and Chairman of Quality Improvement Committee	Financial: Insurance (Accident & Health)	\$2.77 billion
Scot T. Wetzel	38	United Western Bancorp	UWBK	Denver	CEO, President, and Director; Chairman, CEO, and President of United Western Bank	Financial: S&Ls/Savings Banks	\$148.25 million
Michael D. Becker	38	Cytogen	CYTO	Princeton, N.J.	CEO, President, Head of Sales & Marketing, and Director	Health Care: Biotechnology & Drugs	\$60.08 million
I. Joseph Massoud	38	Compass Diversified Trust	CODI	Westport, Conn.	CEO and Director	Services: Business Services	\$353.17 million
Jasper Knabb	38	Pegasus Wireless	PGWC	Fremont, Calif.	CEO, President, and Director	Services: Communications Services	NA
Ian Morris	38	Housevalues	SOLD	Kirkland, Wash.	CEO and Director	Services: Real Estate Operations	\$129.34 million
Brian M. Sondey	38	TAL International Group	TAL	Purchase, N.Y.	CEO, President, and Director	Services: Rental & Leasing	\$790.35 million
Kenneth McBride	38	Stamps.com	STMP	Los Angeles	CEO, President, and Director	Services: Retail (Catalog & Mail Order)	\$347.53 million
Peter J. Ungaro	38	Cray	CRAY	Seattle	CEO, President, and Director	Technology: Computer Hardware	\$246.15 million
Brett A. Roberts	39	Credit Acceptance	CACC	Southfield, Mich.	CEO, President, and Director	Financial: Consumer Financial Services	\$1.01 billion
David S. Kalt	39	OptionsXpress Holdings	OXPS	Chicago	CEO, Director, and President of OptionsXpress Inc.	Financial: Investment Services	\$1.80 billion

J. Brandon Black	39	Encore Capital Group	ECPG	San Diego	CEO, President, and Director	Financial: Misc. Financial Services	\$309.56 million
Kirk E Sanford.	39	Global Cash Access Holdings	GCA	Las Vegas	CEO, President, and Director	Financial: Misc. Financial Services	\$1.36 billion
Greg Steffens	39	Southern Missouri Bancorp	SMBC	Poplar Bluff, Mo.	Principal Executive Officer, President, CFO, Principal Accounting Officer, Director, and Member of Executive Committee; Director of Southern Missouri Bank & Trust	Financial: S&Ls/Savings Banks	\$33.44 million
Paul L. Berns	39	Allos Therapeutics	ALTH	Westminster, Colo.	CEO, President, and Director	Health Care: Biotechnology & Drugs	\$395.58 million
Joseph M. DeVivo	39	RITA Medical Systems	RITA	Fremont, Calif.	CEO, President, and Director	Health Care: Medical Equipment & Supplies	\$191.59 million
Michael R. Minogue	39	Abiomed	ABMD	Danvers, Mass.	Chairman of the Board, CEO, President, Member of Executive and Special Stock Option Committees	Health Care: Medical Equipment & Supplies	\$339.93 million
J. Boyd Douglas	39	Computer Programs & Systems	CPSI	Mobile, Ala.	CEO, President, and Director	Services: Business Services	\$388.11 million
Russell C. Horowitz	39	Marchex	MCHX	Seattle	Chairman of the Board, CEO, and Treasurer	Services: Business Services	\$532.55 million
Thomas L. Monahan	39	Corporate Executive Board	EXBD	Washington, D.C.	CEO and Director	Services: Business Services	\$3.64 billion
Zev Weiss	39	American Greetings	AM	Cleveland	CEO, Director, and Member of Executive Committee	Services: Printing & Publishing	\$1.41 billion
Christopher A. Milner	39	Anthracite Capital	AHR	New York	CEO	Services: Real Estate Operations	\$734.29 million
Scott Rechler	39	Reckson Associates Realty	RA	Uniondale, N.Y.	Chairman, CEO, Chairman of Executive Committee, and Member of Pricing Committee	Services: Real Estate Operations	\$3.83 billion

Robert A. Katz	39	Vail Resorts	MTN	Avon, Colo.	CEO, Director, Chairman of Compensation Committee, Member of Executive and Audit Committees	Services: Recreational Activities	\$1.83 billion
William P. Angrick	39	Liquidity Services	LQDT	Washington, D.C.	Co-Founder, Chairman of the Board, and CEO	Services: Retail (Catalog & Mail Order)	\$531.82 million
Frank F. Khulusi	39	PC Mall	MALL	Torrance, Calif.	Co-Founder, Chairman, CEO, and President	Services: Retail (Catalog & Mail Order)	\$118.70 million
Robert A. Frist	39	Healthstream	HSTM	Nashville	Co-Founder, Chairman of the Board, CEO, and President	Services: Schools	\$83.54 million
Colin Angle	39	iRobot	IRBT	Burlington, Mass.	Co-Founder, CEO, and Director	Technology: Computer Services	\$452.15 million
Neil M. Ashe	39	CNET Networks	CNET	San Francisco	CEO and EVP	Technology: Computer Services	\$1.44 billion
Norwood H. Davis	39	TRX	TRXI	Atlanta	CEO, President, and Director	Technology: Computer Services	\$121.18 million
Charles M. Swoboda	39	Cree	CREE	Durham, N.C.	Chairman of the Board, CEO, and President	Technology: Semiconductors	\$1.42 billion
Jim McIntire	39	Websidestorey	WSSI	San Diego	Chairman, CEO, and President	Technology: Software & Programming	\$223.39 million
Stephen G. Waldis	39	Synchronoss Technologies	SNCR	Bridgewater, N.J.	Founder, Chairman, CEO, and President	Technology: Software & Programming	\$423.53 million
Richard R. Woolcott	40	Volcom	VLCM	Costa Mesa, Calif.	Founder, CEO, President, and Director	Consumer Cyclical: Apparel/Accessories	\$789.88 million
Robert R. Hill	40	SCBT Financial	SCBT	Columbia, S.C.	CEO, President, Director, Member of Executive and Policy Committees; CEO and President of South Carolina Bank & Trust N.A.	Financial: Regional Banks	\$352.88 million
Wayne M. Bos	40	Natrol	NTOL	Chatsworth, Calif.	CEO, President, and Director	Health Care: Biotechnology & Drugs	\$27.43 million
Richard Chin	40	Oxigene	OXGN	Waltham, Mass.	CEO, President, and Director	Health Care: Biotechnology & Drugs	\$162.30 million
Mitchell H. Gold	40	Dendreon	DNDN	Seattle	CEO, President, and Director	Health Care: Biotechnology & Drugs	\$309.02 million

Michael S. Weiss	40	Keryx Biopharmaceuticals	KERX	New York	Chairman and CEO	Health Care: Biotechnology & Drugs	\$624.86 million
Rajat Rai	40	Option Care	OPTN	Buffalo Grove, Ill.	CEO and Director	Health Care: Health-Care Facilities	\$490.68 million
Timothy C. Choate	40	Aptimus	APTM	San Francisco	Founder and Chairman of the Board	Services: Advertising	\$49.86 million
Vincent L. Sadusky	40	LIN TV	TVL	Providence	CEO, President, CFO, VP, Treasurer, and Director	Services: Broadcasting & Cable TV	\$456.21 million
Michael Rapino	40	Clear Channel Communications/ Live Nation	CCU / LYV	San Antonio/Beverly Hills	CEO/CEO and Director	Services: Broadcasting & Cable TV/Services: Recreational Activities	\$17.46 billion / \$1.50 billion
Frank J. Williams	40	Advisory Board	ABCO	Washington, D.C.	Chairman, CEO, and EVP	Services: Business Services	\$1.01 billion
Philip N. Kaplan	40	VitalStream Holdings	VSTH	Irvine, Calif.	President, COO, and Director	Services: Communications Services	234.37 million
Edward B. Meyercord	40	Talk America Holdings	TALK	New Hope, Penn.	CEO, President, and Director	Services: Communications Services	\$247.75 million
Jeffrey D. Thomas	40	Ambassadors Group	EPAX	Spokane, Wash.	CEO, President, Director, and CEO of Ambassador Programs Inc.	Services: Personal Services	\$588.24 million
Gordon F. DuGan	40	WP Carey & Co.	WPC	New York	CEO, President, Director, Member of Executive Committee, and Vice-Chairman of W.P. Carey advised Corporate Property Associates	Services: Real Estate Operations	\$1.16 billion
D. L. Becker	40	Laureate Education	LAUR	Baltimore	Chairman and CEO	Services: Schools	\$2.61 billion
John S. Stroup	40	Belden CDT	BDC	St. Louis	CEO, President, and Director	Technology: Communications Equipment	\$1.73 billion
Ralph Bartel	40	Travelzoo	TZOO	New York	Founder, Chairman, CEO, President, and Chairman of Compensation Committee	Technology: Computer Services	\$458.26 million
Kevin M. Cameron	40	Emdeon	HLTH	Elmwood Park, N.J.	CEO, Director, and Member of Executive Committee	Technology: Computer Services	\$3.44 billion

Drew Fromkin	40	Clinical Data	CLDA	Newton, Mass.	CEO and President	Technology: Scientific & Technical Instr.	\$164.01 million
Louis Hernandez	40	Open Solutions	OPEN	Glastonbury, Conn.	Chairman of the Board and CEO	Technology: Software & Programming	\$777.28 million
Benjamin A. Horowitz	40	Opware	OPSW	Sunnyvale, Calif.	Co-Founder, CEO, President, and Director	Technology: Software & Programming	\$894.79 million